

## WOMEN EMPOWERMENT THROUGH SELF HELP GROUPS

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**Abstract:** Women empowerment is a process in which women challenge the existing norms and culture to effectively promote their well being. The National Policy for the Empowerment of Women, 2001 was an important step taken by the Government of the time for accelerating the pace of women empowerment. Empowerment is a multi-faceted, multi-dimensional and multi-layered concept. Women's empowerment is a process in which women gain greater share of control over resources- material, human and intellectual like knowledge, information, ideas and financial resources like money and access to money and control over decision-making in the home, community, society and nation, and to gain 'power'. Empowerment is an active and multidimensional process, which enables women to realize their identity and power in all aspects of life. The participation of women in Self Help Groups (SHGs) made a significant impact on their empowerment both in social and economical aspects. A self-help is a small, economically homogeneous and attractive group of 10-20 rural poor people which comes together to save small amounts regularly. SHGs approach is the group based approach, which helps the poor women members of each SHG to accumulate capital by way of small saving and helping them to get credit facilities from their funds. Presently, the poor women of the society are facing the financial problem to start business or to undertake different economic activities to become self-employed and self-reliant. The SHG can empower poor women by providing facilities like savings and credit in the economic development process of the society. The status of women in a society is a significant reflection of the level of social justice in that society.

**Key Words:** Empowerment, Financial Resources, Homogeneous, Social Justice, Self Help Groups.

**Introduction:** Poverty deprives the opportunities of women to have equal access to participation in development programs, mobility and decision making. In the subsistence sector women spend the greatest amount of their time in collecting fuel, fodder, water, looking after livestock and kitchen gardening. Deforestation deprives the poor of their livelihood opportunities, thereby causing migration to urban areas. Poverty pushes them down to the lowest strata. When we think about tribal women, they are more backward and their social and economic empowerment issues are even more complicated. Social empowerment creates a favorable environment for women to take part in the development programs. The concept of empowerment traces its history in the mid-17th century with the legalistic meaning; to invest with authority. Thereafter it began to be used with an infinitive in a more general way meaning "to enable or permit."

The National Policy for the Empowerment of Women, 2001 was an important step taken by the Government of the time for accelerating the pace of women empowerment. The policy was aimed at ensuring women empowerment through positive economic and social policies for the full development of women so, that they could realize their full potential.

Review of Literature: Awais et al. (2009) in their study, they pointed that tribal women face problems and challenges in getting a sustainable livelihood a decent life due to the environmental degradation and

the interference of the outsiders. However, there are wide variations across regions and tribes in terms of work participation, sex ratio, economic productivity, and social life.

Subba Rao. P, Siva Rama Krishna, B and Ramana, T.V (2011) in their study they highlighted that the transformation of rural women through SHGs and public initiatives. They discussed that the self help movement has brought a tremendous change in the socio-economic conditions of poor rural women. It introduced the concept of thrift and saving. They described that the empowerment as a process aimed at changing the nature and direction of systematic forces, which marginalized women and disadvantaged and poorer sections of the society.

Kantidas (2012) in his study, he revealed that social, political, economic, technological and physiological constraints in the way of tribal women empowerment. He attempted an analysis of constraints in women empowerment in the tribal area of Assam State. His study pointed out that the main reason for the poor empowerment of tribal women was noted as lack of knowledge about new technology and information. The study found that the cognitive and infrastructural constraints are major hurdles for tribal development as well as tribal empowerment.

Mahendra K. D. (2013) in his study, he enquired into the level of income of women, on the basis of average monthly income, approximately from all sources, the respondents have been grouped under three income

groups, such as the high income group, the middle income group and the low income group.

Ramesh, A (2014) in his study, he focused on women empowerment through self-help groups in Warangal district of Telangana State, India. The information required for the study has been collected from both the primary and secondary data are collected and age, family system and number of dependents in the family, etc. The study analysed in demographic information. The study mainly focused on the role of SHGs in women empowerment, social solidarity and socio-economic betterment of the poor for their consolidation.

Objectives of the Study: The objectives of the present paper are as following:

- a. To promote community organizing activities by bringing all the people under one roof, identifying common issues/needs, decision-making based on common issues, creating local leadership and exploring the possibilities of solving problems
- b. To examine the status of women's SHGs before and after group formation
- c. To create employment opportunities and to empower the rural women. It also improves the living standards of the rural people by alleviating poverty
- d. To identify the tribal women empowerment through SHGs.

**Methodology:** The relevant information for present study has been collected through secondary sources. Among secondary sources the data has been collected to corroborate with the empirical findings from the Census, reports and statements from the respective DWACRA office and the reports of the committees and also the research studies conducted by the academicians. The articles published in various journals and the various books published in this area of specialization had been referred.

**Self Help Groups:** The concept of SHG services the principle, 'by the women, of the women and for the women'. Self Help Groups are voluntary associations of people with common interests formed to achieve collective social and economic goals. Such groups are organised for mutual help and benefit. It is formed democratically without any political affiliations. They may comprise of 15-20 women or men, although they generally consist exclusively of women members. In India among women more than 90 per cent Self Help Groups are formed between the age group of 18 to 55 years. It is done at micro or group level. The initial operations of SHGs start with collecting savings from members. These groups inculcate the habit of thrift among the members. By collecting small saving huge amount can be raised. These groups advance loans to the needy members. The total funds owned by the

group are thus circulated in the form of loan among the members.

Self Help Groups are considered as one of the most significant tools in participatory approach for the economic empowerment of women. It is an important institution for improving life of women on various social components. The basic objective of SHG is that it acts as the platform for members to provide space and support to each other. SHGs Comprises very poor people who do not have access to formal financial institutions. It enables its members to learn to cooperate and work in a group environment. Today, in India, Self Help Groups (SHGs) represent a unique approach to financial intermediation. This combines access to low-cost financial services with a process of self management and development for the women who are SHG members. SHGs are formed and supported usually by Non- Governmental Organizations by Government agencies linked not only to banks but also to wider development programmes. SHGs are seen to confer many benefits, both economic and social. SHGs are enable women to grow their savings and access the credit which banks are increasingly willing to lend. SHGs can also be community platform from which women become active in village affairs, stand for local election to take action to address social.

In India before introducing this scheme for rural women were largely negligible. But in recent years, the most significant emerging system called Self Help Group is a major breakthrough in improving lives of womenfolk and alleviating rural poverty. However the significant success of several SHGs show that the rural poor indeed efficient to manage credit and finance. Women participation in Self Help Groups have obviously created tremendous impact upon the life pattern and style of poor women and have empowered them at various levels not only as individuals but also as members of the family members of the community and the society as whole. They come together for the purpose of solving their common problems through self-help and mutual help. The more attractive scheme with less effort is "Self Help Group" (SHG). It is a tool to remove poverty and improve the women entrepreneurship and financial support in India.

**Origin of Self Help Groups:** The origin of SHG is from the brain child of Grameen Bank of Bangladesh, which was found by the economist, Prof. Mohammed Yunus of Chittagong University in the Year 1975, to provide micro-finance to rural women. In Bangladesh, micro-finance has been established as a most powerful instrument to tackle poverty. The SHGs in India were formed by Mysore Resettlement and Development Agency (MYRADA), a NGO in 1985 due to breakdown of the large cooperatives organized by MYRADA. By

1986–87, there were nearly 300 SHGs in MYRADA's projects. MYRADA then approached NABARD for an action research project on Self Help Groups which funded the research. Within the same timeline, Asian and Pacific Regional Agricultural Credit Association (APRACA) weighed options and agreed on further action for effectively increasing credit access for the poor. In India, NABARD and a member of APRACA, carried out an elaborate study which gave useful insights into the dynamics of group organization, saving potential and repayment ethics of the poor. Encouraged by the results of the study and action research project of MYRADA, NABARD, in consultation with the Reserve Bank of India (RBI), Commercial Banks and NGOs, launched a pilot project in 1991–92 for linking of SHGs with banks. Thus, the micro finance activity is the result of NABARD'S work that started in February 1992 through an initial pilot project promoting 500 SHGs. RBI had advised Commercial Banks in July 1991 to extend finance to SHGs as per NABARD guidelines. Subsequently, the linkage project was extended to RRBs and Cooperatives. The Self-Help Group movement became a silent revolution within a short span in the rural credit delivery system in many parts of the world. It has been documented that nearly 53 developing countries including India, have taken up this on a large scale. The Government of India is supporting the SHG movement. The main object of National Policy for Empowerment of Women (NPEW), 2001 is economic empowerment of women. The policy aims at enhancing supply of credit to the women through SHGs.

**Characteristics and Functions of SHGs:** SHGs are mostly informal groups where members pool savings and relend in the group on a rotational basis. The groups have a common perception of need and improvise towards collective action. Many such groups formed around specific production activities, promote savings among members and use the pooled resources to meet various credit needs of members (especially consumption needs). Where funds generation is low in the initial phases due to low saving capacities, this is supplemented by external resources loaned by NGOs. Thus, SHGs have been able to provide primitive banking services to its members that are cost-effective, flexible and without defaults. Based on local requirements, SHGs have evolved their own characteristics of functioning:

1. Group members usually create a common fund by contributing their small savings on a regular basis.

2. Groups evolve flexible systems of working (sometimes with the help of NGOs) and manage pooled resources in a democratic way.
3. Loan requests are considered by groups in periodic meetings and competing claims on limited resources are settled by consensus.
4. Loans are given mainly on trust with minimum documentation and without any security.
5. The loan amounts are small, frequent, for short duration and are mainly for unconventional purposes.
6. The rate of interest varies from group to group and the purpose of loan. It is higher than that of banks but lower than that of moneylenders.
7. At periodic meetings, besides collecting money, social and economic issues are also discussed.
8. Defaults are rare due to group pressure and intimate knowledge of the end use of credit.

Self Help Groups improve the equality of status of women as participants, decision-makers and beneficiaries in the social, economic and cultural and democratic spheres of life. SHGs ensure the equality of status of women as participants, decision-makers and beneficiaries in the social democratic, economic and cultural spheres of life.

The development agencies commonly used two approaches to examine the empowerment of women. Empowerment in economic status through (i) Economic intervention such as employment, income generation and access to credit and (ii) Integrated rural development programmes in which, strengthening women's economic status is the only component along with education, literacy, the provision of basic needs and services and fertility control.

**Conclusion:** SHG members were learning incessantly from the past experiences are walking through the present are marching ahead for a bright future. The study justify the greater role played by the SHGs in increasing empowerment of women, by making them financially strong, as well as it helped them to save amount of money and invest it further development. It is also found that the SHGs created confidence for social, economic self-reliance among the members of SHGs in rural villages. It develops the awareness of welfare programmes and schemes, loan policies etc. among women. However there is a positive impact of Self Help Groups on empowerment of women in all spheres.

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